

**WASHINGTON, DC** – Congressman Joe Courtney today introduced legislation, H.R. 3826, to ensure that interest rates on certain student loans do not dramatically increase this year.

In 2007, Congress made an historic investment in higher education when it passed the College Cost Reduction and Access Act. The legislation includes a provision that reduced the fixed rate on Stafford student loans for undergraduate students. The College Cost Reduction and Access Act lowered subsidized Stafford student loan rates from 6.8 percent to 3.4 percent over a four-year period, easing the burden on thousands of students and their families. However, without Congressional action, these rates will double later this year -- costing students and families thousands of dollars overtime. Courtney's bill would eliminate the existing sunset, and ensure that rates remain at 3.4 percent.

"A college education is key to success in today's economy, but for many students, the spiraling costs of higher education are creating an immense barrier," **said Congressman Courtney.** "President Obama's message was spot on last night when he said: 'When kids do graduate, the most daunting challenge can be the cost of college. At a time when Americans owe more in tuition debt than credit card debt, this Congress needs to stop the interest rates on student loans from doubling in July.'

"This legislation will defuse that ticking time bomb, and help young people repay the student loans that have weighed them down too heavily for too long."

According to the non-partisan U. S. PIRG, if Congress does nothing, borrowers who will take out the maximum \$23,000 in subsidized student loans will see their interest balloon to an additional \$5,200 over a 10-year repayment period and \$11,300 over a 20-year repayment period.

###